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Resolution adopted by the General Assembly on 20 December 2013

[*on the report of the Second Committee (A/68/437)*]

68/204. Follow-up to the International Conference on Financing for Development

The General Assembly,

Recalling the International Conference on Financing for Development, held in Monterrey, Mexico, from 18 to 22 March 2002, and the Follow-up International Conference on Financing for Development to Review the Implementation of the Monterrey Consensus, held in Doha from 29 November to 2 December 2008, and its resolutions 56/210 B of 9 July 2002, 57/250, 57/272 and 57/273 of 20 December 2002, 57/270 B of 23 June 2003, 58/230 of 23 December 2003, 59/225 of 22 December 2004, 60/188 of 22 December 2005, 61/191 of 20 December 2006, 62/187 of 19 December 2007, 63/239 of 24 December 2008, 64/193 of 21 December 2009, 65/145 and 65/146 of 20 December 2010, 66/191 of 22 December 2011 and 67/199 of 14 February 2013, as well as Economic and Social Council resolutions 2002/34 of 26 July 2002, 2003/47 of 24 July 2003, 2004/64 of 16 September 2004, 2006/45 of 28 July 2006, 2007/30 of 27 July 2007, 2008/14 of 24 July 2008, 2009/30 of 31 July 2009, 2010/26 of 23 July 2010, 2011/38 of 28 July 2011, 2012/31 of 27 July 2012 and 2013/44 of 26 July 2013,

Recalling also the United Nations Millennium Declaration[1] and the 2005 World Summit Outcome,[2]

Recalling further the Conference on the World Financial and Economic Crisis and Its Impact on Development and its outcome document,[3]

Recalling the high-level plenary meeting of the General Assembly on the Millennium Development Goals, held from 20 to 22 September 2010, and its outcome document,[4] and the special event to follow up efforts made towards

[1] Resolution 55/2.
[2] Resolution 60/1.
[3] Resolution 63/303, annex.
[4] Resolution 65/1.

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achieving the Millennium Development Goals, convened by the President of the General Assembly on 25 September 2013, and its outcome document,[5]

Recalling also the United Nations Conference on Sustainable Development, held in Rio de Janeiro, Brazil, from 20 to 22 June 2012, and its outcome document, entitled "The future we want",[6]

Recalling further the sixth High-level Dialogue on Financing for Development, held in New York on 7 and 8 October 2013,

Noting the meeting of the Global Business Partnership Forum of the Economic and Social Council, entitled "Partnering for innovative solutions for sustainable development", held in New York on 24 April 2013,

Noting also the meeting of the United Nations Development Cooperation Forum of the Economic and Social Council, held in New York on 5 and 6 July 2012,

Taking note of the summary by the President of the Economic and Social Council of the special high-level meeting of the Council with the Bretton Woods institutions, the World Trade Organization and the United Nations Conference on Trade and Development, held in New York on 22 April 2013,[7]

Recalling the special event on the financing of social development, held on 3 February 2012, during the fiftieth session of the Commission for Social Development,

Noting the fifty-second session of the Commission on the Status of Women, held from 25 February to 7 March 2008, on the theme "Financing for gender equality and empowerment of women",

Noting also the ongoing work on options for innovative sources of financing for development, including in various forums, such as the Leading Group on Innovative Financing for Development,

Noting further the informal event on innovative sources of financing organized by the Secretary-General on 3 June 2010, the separate meeting of the Second Committee, held on 13 October 2011, and the special event of the Economic and Social Council, held on 12 July 2012 during its substantive session,

Taking note of the reports of the Secretary-General on the follow-up to and implementation of the Monterrey Consensus and the Doha Declaration on Financing for Development,[8] modalities of the financing for development follow-up process[9] and innovative mechanisms of financing for development,[10]

Expressing deep concern about the ongoing adverse impacts, particularly on development, of the world financial and economic crisis, recognizing evidence of an uneven and fragile recovery, cognizant that the global economy, notwithstanding significant efforts that helped contain tail risks, improve financial market conditions and sustain recovery, still remains in a challenging phase, with downside risks, including high volatility in global markets, high unemployment, particularly among

[5] Resolution 68/6.

[6] Resolution 66/288, annex.

[7] A/68/78-E/2013/66.

[8] A/68/357.

[9] A/67/353.

[10] A/66/334.

youth, indebtedness in some countries and widespread fiscal strains, which pose challenges for global economic recovery and reflect the need for additional progress towards sustaining and rebalancing global demand, and stressing the need for continuing efforts to address systemic fragilities and imbalances and to reform and strengthen the international financial system while implementing the reforms agreed upon to date,

Reaffirming the recognition, as contained in the outcome document of the United Nations Conference on Sustainable Development, of the need for the significant mobilization of resources from a variety of sources and the effective use of financing in order to give strong support to developing countries in their efforts to promote sustainable development, including through actions undertaken in accordance with the outcome document of the Conference and for achieving sustainable development goals,

Noting the establishment of the Global Partnership for Financial Inclusion in 2010 as a mechanism for institutionalizing and continuing the work begun by the Financial Inclusion Experts Group in 2010,

Recalling the meeting of the Second Committee, held pursuant to resolution 67/197 of 21 December 2012, on 13 November 2013, to discuss actions in response to the world financial and economic crisis and its impact on development and prospects for restoring confidence and economic growth,

Stressing the importance of the full involvement of all relevant stakeholders in the implementation of the financing for development agenda at all levels,

1. *Reaffirms* the Monterrey Consensus of the International Conference on Financing for Development[11] in its entirety, its integrity and its holistic approach, and recalls the resolve to take concrete action to implement the Monterrey Consensus and to address the challenges of financing for development in the spirit of global partnership and solidarity in support of the achievement of the internationally agreed development goals, including the Millennium Development Goals;

2. *Also reaffirms* that each country has primary responsibility for its own development and that the role of national policies and development strategies for the achievement of sustainable development cannot be overemphasized, and recognizes that national efforts should be complemented by supportive global programmes, measures and policies aimed at expanding the development opportunities of developing countries, while taking into account national conditions and ensuring respect for national ownership, strategies and sovereignty;

3. *Reaffirms its determination* to advance and strengthen the global partnership for development as the centrepiece of cooperation in the years ahead, as reaffirmed in the United Nations Millennium Declaration,[1] the Monterrey Consensus, the Plan of Implementation of the World Summit on Sustainable Development (Johannesburg Plan of Implementation),[12] the 2005 World Summit Outcome,[2] the Doha Declaration on Financing for Development: outcome document of the Follow-up International Conference on Financing for Development to Review

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[11] *Report of the International Conference on Financing for Development, Monterrey, Mexico, 18–22 March 2002* (United Nations publication, Sales No. E.02.II.A.7), chap. I, resolution 1, annex.

[12] *Report of the World Summit on Sustainable Development, Johannesburg, South Africa, 26 August–4 September 2002* (United Nations publication, Sales No. E.03.II.A.1 and corrigendum), chap. I, resolution 2, annex.

the Implementation of the Monterrey Consensus,[13] the outcome document of the Conference on the World Financial and Economic Crisis and Its Impact on Development,[3] the outcome document of the high-level plenary meeting of the General Assembly on the Millennium Development Goals, entitled "Keeping the promise: united to achieve the Millennium Development Goals",[4] the outcome document of the United Nations Conference on Sustainable Development, entitled "The future we want",[6] and the outcome document of the 2013 special event to follow up efforts made towards achieving the Millennium Development Goals;[5]

4. *Reaffirms* that gender equality and women's empowerment are essential to achieve equitable and effective development and sustained, inclusive and equitable economic growth, reiterates the need for gender mainstreaming in the formulation and implementation of development policies, including financing for development policies, and for dedicated resources, and recognizes the importance of mainstreaming a gender perspective into the integrated and coordinated implementation of and follow-up to all the major United Nations conferences and summits in the economic, social, environmental and related fields;

5. *Recognizes* that the mobilization of financial resources for development and the effective use of all of those resources are central to the global partnership for development, including in support of the achievement of the internationally agreed development goals, including the Millennium Development Goals, and also recognizes that the mobilization of national and international resources and an enabling national and international environment are key drivers for development;

6. *Recalls* the importance of the overall commitment to just and democratic societies for development, as spelled out in the Monterrey Consensus, particularly that solid democratic institutions which are responsive to the needs of the people are essential for sustained economic growth, poverty eradication and employment creation;

7. *Reaffirms* that good governance and advancement of the rule of law at all levels are essential for the realization of sustained economic growth, sustainable development and the eradication of poverty and hunger, and hence reaffirms the importance of the implementation of the commitment to sound policies;

8. *Recognizes* that sustained, inclusive and equitable economic growth contributes to the achievement of the Millennium Development Goals, including the eradication of poverty and hunger;

9. *Reaffirms* that gender equality is of fundamental importance for achieving sustained and inclusive economic growth, poverty eradication and sustainable development, in accordance with the relevant resolutions of the General Assembly and United Nations conferences, and that investing in the development of women and girls has a multiplier effect, in particular on productivity, efficiency and sustained and inclusive economic growth, in all sectors of the economy, especially in key areas such as agriculture, industry and services;

10. *Also reaffirms* that an effective, efficient, transparent and accountable system for mobilizing public resources and managing their use by Governments is essential;

[13] Resolution 63/239, annex.

11. *Recalls* the resolve of Member States to enhance and strengthen domestic resource mobilization and fiscal space, including, where appropriate, through modernized tax systems, more efficient tax collection, the broadening of the tax base and the effective combating of tax evasion and capital flight, and reiterates that, while each country is responsible for its tax system, it is important to support national efforts in these areas by strengthening technical assistance and enhancing international cooperation and participation in addressing international tax matters;

12. *Recognizes* that the development of a sound and broad-based financial sector is central to the mobilization of domestic financial resources and should be an important component of national development strategies, as well as the need to strive for diversified, well-regulated, inclusive financial systems that promote savings and access to financial services and channel savings to sound projects that increase sustainable, long-term economic growth, generate revenues and create jobs;

13. *Also recognizes*, in this regard, that microfinance, including microcredit, can be effective in generating productive self-employment, which can help contribute to the achievement of the internationally agreed development goals, including the Millennium Development Goals, and underlines the need to appropriately support, in a coordinated manner, the efforts of developing countries, including in capacity-building for microfinance and other financial services that can foster financial inclusion;

14. *Expresses deep concern* about the ongoing adverse impacts of the global financial and economic crisis on development, including on the capacity of developing countries to mobilize resources for development, recognizes that there is a need to promote the recovery, and acknowledges that an effective response to the impacts of the crisis requires the timely implementation of all development commitments, including existing aid commitments;

15. *Recalls* that the ongoing fight against corruption at all levels is a priority, reaffirms the need to take urgent and decisive steps to continue to combat corruption in all its manifestations in order to reduce obstacles to effective resource mobilization and allocation and to prevent the diversion of resources away from activities that are vital for development, recalls that this requires strong institutions at all levels, including, in particular, effective legal and judicial systems and enhanced transparency, recognizes the efforts and achievements of developing countries in this regard, notes the increased commitment of States that have already ratified or acceded to the United Nations Convention against Corruption,[14] and in this regard urges all States that have not yet done so to consider ratifying or acceding to the Convention;

16. *Emphasizes* the need for more effective government involvement in order to ensure appropriate regulation of the market, which promotes the public interest, and in this regard recognizes the need to better regulate financial markets and to promote economic stability and sustained, equitable and inclusive growth;

17. *Reaffirms* the importance of implementing measures to curtail illicit financial flows at all levels, enhance disclosure practices and promote transparency in financial information, and in this regard notes that strengthening national and multinational efforts to address this issue is crucial, including through support and technical assistance to developing countries to enhance their capacities;

[14] United Nations, *Treaty Series*, vol. 2349, No. 42156.

18. *Emphasizes* the need to pursue, at the national level and in a manner consistent with national laws, appropriate policy and regulatory frameworks through which to encourage public and private initiatives, including at the local level, and to foster a dynamic and well-functioning business sector, while improving income growth and distribution, raising productivity, advancing women's empowerment and protecting labour rights and the environment, and reiterates the importance of ensuring that the benefits of growth reach all people by empowering individuals and communities;

19. *Notes* that foreign direct investment is a major source of financing for development, in this regard calls upon developed countries to continue to devise source-country measures to encourage and facilitate the flow of foreign direct investment, inter alia, through the provision of export credits and other lending instruments, risk guarantees and business development services, calls upon developing countries to continue their efforts to create a national environment conducive to attracting investments by, inter alia, achieving a transparent, stable and predictable investment climate with proper contract enforcement and respect for property rights, and stresses the importance of enhancing efforts to mobilize investment from all sources in human resources and in physical, environmental, institutional and social infrastructure;

20. *Reaffirms* that there is a need to address and to promote conditions for cheaper, faster, more transparent and safer transfers of remittances, in a non-discriminatory fashion, in both source and recipient countries, and invites Member States, as well as the private sector, international organizations, the banking community and other stakeholders, to work towards the further reduction of the transfer costs of remittances;

21. *Also reaffirms* that international trade is an engine for development and sustained economic growth, and further reaffirms the critical role that a universal, rules-based, open, non-discriminatory and equitable multilateral trading system, as well as meaningful trade liberalization, can play in stimulating economic growth and development worldwide, thereby benefiting all countries at all stages of development;

22. *Emphasizes* the need to resist protectionist tendencies and to rectify any trade-distorting measures that are inconsistent with the rules of the World Trade Organization, recognizing the right of countries, in particular developing countries, to fully utilize flexibilities consistent with their World Trade Organization commitments and obligations;

23. *Notes* the progress made at the Ninth Ministerial Conference of the World Trade Organization, held in Bali, Indonesia, from 3 to 7 December 2013, and in this regard calls for a balanced, ambitious, comprehensive and development-oriented outcome of the Doha Development Agenda multilateral trade negotiations, in keeping with the development mandate of the Doha Ministerial Declaration,[15] the decision of 1 August 2004 of the General Council of the World Trade Organization and the Hong Kong Ministerial Declaration adopted by the World Trade Organization in 2005;

24. *Underlines* the fact that the fulfilment of all official development assistance commitments is crucial, including the commitments by many developed

[15] See A/C.2/56/7, annex.

countries to achieve the target of 0.7 per cent of gross national income for official development assistance to developing countries by 2015, as well as the target of 0.15 per cent to 0.20 per cent of gross national income for official development assistance to least developed countries, and urges developed countries that have not yet done so to fulfil their commitments for official development assistance to developing countries;

25. *Stresses* the essential role that official development assistance plays in complementing, leveraging and sustaining financing for development in developing countries and in facilitating the achievement of development objectives, including the internationally agreed development goals, in particular the Millennium Development Goals, and reiterates that official development assistance can play a catalytic role in assisting developing countries in removing constraints on sustained, inclusive and equitable growth by, inter alia, enhancing social, institutional and physical infrastructure, promoting foreign direct investment, trade and technological innovations, improving health and education, fostering gender equality, preserving the environment and eradicating poverty, and welcomes steps to improve the effectiveness and quality of aid based on the fundamental principles of national ownership, alignment, harmonization, managing for results and mutual accountability;

26. *Welcomes* the increasing efforts to improve the quality of official development assistance, to strengthen partnerships for development and to increase development effectiveness and impact, recognizes in this regard the Development Cooperation Forum of the Economic and Social Council and other initiatives, such as all of the high-level forums on aid effectiveness, which make important contributions to the efforts of the countries that have made commitments to their outcomes, including through the adoption of the fundamental principles of aid effectiveness, and bears in mind that there is no one-size-fits-all formula that will guarantee effective assistance and that the specific situation of each country needs to be fully considered;

27. *Considers* that innovative financing sources and mechanisms can make a positive contribution towards achieving the internationally agreed development goals, including the Millennium Development Goals, and assisting developing countries in mobilizing additional resources for development on a voluntary basis, as well as maximizing the impact of existing public and private flows, and that such financing can be an important supplement to traditional sources of financing, and encourages, while highlighting the considerable progress on innovative sources and mechanisms of financing for development achieved to date, the scaling-up of present initiatives and the development of new approaches, as appropriate;

28. *Stresses* the need to strengthen and support South-South cooperation, while stressing further that South-South cooperation is not a substitute for but rather a complement to North-South cooperation, and calls for the effective implementation of the Nairobi outcome document of the High-level United Nations Conference on South-South Cooperation, held in Nairobi from 1 to 3 December 2009;[16]

29. *Recognizes* that South-South cooperation and triangular cooperation are mutually supportive in terms of both technical and financial assistance, emphasizes in this regard the importance of further invigorating South-South cooperation, and

[16] Resolution 64/222, annex.

invites all Member States to enhance South-South cooperation and triangular cooperation, focusing on shared development priorities with the involvement of all relevant stakeholders in Governments, civil society and the private sector;

30. *Urges* the donor community, Member States, international organizations, including the United Nations, the private sector, non-governmental organizations, trade unions and other stakeholders to strengthen the focus and the impact of development assistance targeting gender equality and the empowerment of women and girls through gender mainstreaming, the funding of targeted activities and enhanced dialogue between donors and partners, and also to strengthen the mechanisms needed to effectively measure the resources allocated to incorporating gender perspectives in all areas of development assistance;

31. *Emphasizes* the special importance of a timely, effective, comprehensive and durable solution to the debt problems of developing countries in order to promote their economic growth and development;

32. *Also emphasizes* that debt sustainability is essential for underpinning growth, underlines in this regard the importance of debt sustainability and effective debt management to the efforts to achieve national development goals, including the Millennium Development Goals, and acknowledges that sovereign debt crises tend to be costly and disruptive, including for employment and productive investments, and tend to be followed by cuts in public spending, including on health and education, affecting the poor and the vulnerable in particular;

33. *Stresses* that the financial and economic crisis has highlighted the need for reform and has added new impetus to ongoing international discussions on the reform of the international financial system and architecture, including on issues related to mandate, scope, governance, responsiveness and development orientation, as appropriate, and in this regard encourages continued open, inclusive and transparent dialogue;

34. *Notes* the important efforts undertaken nationally, regionally and internationally to respond to the challenges posed by the financial and economic crisis in order to ensure a full return to growth with quality jobs, to reform and strengthen financial systems and to create strong, sustainable and balanced global growth;

35. *Recognizes* the need to continue to enhance the coherence and consistency of the international monetary, financial and trading systems and the importance of ensuring their openness, fairness and inclusiveness as complements to national development efforts to ensure sustained, inclusive and equitable economic growth and the achievement of the internationally agreed development goals, including the Millennium Development Goals;

36. *Reaffirms* the importance of broadening and strengthening the participation of developing countries in international economic decision-making and norm-setting, notes in this regard the important steps taken in the reform of the governance structures, quotas and voting rights of the Bretton Woods institutions, which are directed towards better reflecting current realities and enhancing the voice, the participation and the voting rights of developing countries, and recognizes the importance of continuing such reform processes in an ambitious and expeditious manner in order to deliver more effective, credible, accountable and legitimate institutions;

37. *Also reaffirms* that the United Nations funds and programmes, the regional commissions and the specialized agencies of the United Nations system, in

accordance with their respective mandates, have an important role to play in advancing development and protecting development gains, in accordance with national strategies and priorities, including progress towards achieving the Millennium Development Goals, and further reaffirms its determination to continue to take steps for a strong, well-coordinated, coherent, effective and efficient United Nations system in support of the Goals;

38. *Further reaffirms* the need to intensify the engagement of the regional commissions in the financing for development follow-up process, including through the provision of technical advice and analyses to be made available to Member States;

39. *Reiterates* the importance of ensuring a strengthened and more effective intergovernmental inclusive process for carrying out the financing for development follow-up;

40. *Stresses* the relevance of the holistic financing for development agenda, as contained in the Monterrey Consensus and the Doha Declaration, for the integrated and coordinated implementation of and follow-up to the outcomes of the major United Nations conferences and summits in the economic, social, environmental and related fields, and in this regard emphasizes that the Monterrey Consensus and the Doha Declaration on Financing for Development[8] provide the conceptual framework, including in the context of the post-2015 development agenda, for the mobilization of resources from a variety of sources and the effective use of financing required for the achievement of sustainable development;

41. *Welcomes* the establishment of the Intergovernmental Committee of Experts on Sustainable Development Financing, and looks forward to the report of the Committee proposing options on an effective sustainable development financing strategy to facilitate the mobilization of resources and their effective use in achieving sustainable development objectives as a contribution to the financing for development follow-up process as well as to an intergovernmentally agreed United Nations development agenda beyond 2015;

42. *Stresses*, in this regard, the need to reinforce coherence and coordination and to avoid duplication of efforts with regard to the financing for development process, with a view to ensuring a single, comprehensive, holistic, forward-looking approach addressing the three dimensions of sustainable development;

43. *Decides* to convene, in 2015 or 2016, a third international conference on financing for development to assess the progress made in the implementation of the Monterrey Consensus and the Doha Declaration, to reinvigorate and strengthen the financing for development follow-up process, to identify obstacles and constraints encountered in the achievement of the goals and objectives agreed therein, as well as actions and initiatives to overcome these constraints, and to address new and emerging issues, including in the context of the recent multilateral efforts to promote international development cooperation, taking into account the current evolving development cooperation landscape, the interrelationship of all sources of development finance, the synergies between financing objectives across the three dimensions of sustainable development, as well as the need to support the United Nations development agenda beyond 2015;

44. *Requests* the President of the General Assembly to convene, as soon as possible, inclusive and transparent intergovernmental consultations, with the participation of the major institutional stakeholders involved in the financing for development process, as appropriate, on all issues related to the conference,

including the date, format, organization and scope, taking into account the elements contained in the present resolution, and requests the Financing for Development Office of the Department of Economic and Social Affairs of the Secretariat to provide secretariat support for the consultations;

45. *Recalls*, in this regard, the need to review and explore the modalities of the financing for development process, including possible arrangements to strengthen the process, as well as options for bringing together the various processes covering development financing in an integrated manner;

46. *Reiterates its appeal* to Member States and other potential donors to consider contributing generously to the Trust Fund for the Follow-up to the International Conference on Financing for Development, which would facilitate the implementation of a strengthened and more effective inclusive, intergovernmental process for carrying out the financing for development follow-up;

47. *Recognizes* the work of the Financing for Development Office, and encourages the Office, in collaboration with experts from the public and private sectors, academia, civil society and other multilateral organizations who work in the field of financing for development, to continue its work in accordance with its mandate;

48. *Decides* to include in the provisional agenda of its sixty-ninth session the item entitled "Follow-up to and implementation of the outcome of the 2002 International Conference on Financing for Development and the 2008 Review Conference", and requests the Secretary-General to submit, under the item, an annual analytical assessment of the status of implementation of the Monterrey Consensus and the Doha Declaration, and of the present resolution, to be prepared in full collaboration with the major institutional stakeholders.

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